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Club Meeting Calendar

Volume 20, Number 12

THE AUGUSTA COIN CLUB MONTHLY NEWSLETTER

December, 2020

Our next Meeting will be held on Thursday, Nov, 19, 2020 at 7:00 PM, early arrivals, at 6:00.
The wearing of face masks should no longer be optional but encouraged due to Covid-19.

US citizens prejudiced against Hispanics need a Lesson in the History of Early American Coinage

Jan. 16	May 21	Sep. 17
Feb. 20	June 18	Oct. 15
Mar. 19	July 16	Nov. 19
Apr. 16	Aug. 20	Dec. 17

Our Early US Coinage program
Depended on the 8 *Reales* and two of the lower silver
denominations of Latin America



An 1738 silver 2 *Reales* struck at the Mexico City Mint
[Enlarge page to fill monitor screen or 200% to view image]

Long before the 13 colonies united to form the United States, the coinage used by Caucasian citizens living in the eastern portion of America were produced by Great Britain, the Dutch or Latin American nations in the western hemisphere. Shown directly above, is a Spanish milled two *reales* dated 1738 that was struck at the Mexico City Mint. The coin contained an alloy of .903 fine silver and .097 copper, with a width of 27 mm in diameter that was about the size of our early quarters. Such a coin and the design types that followed could have been one of many Latin American that circulated not only in the colonies but during the first three decades of the United States.



The Two Worlds type Latin American Coins from the 1730s & 1740s
[Enlarge page to fill monitor screen or 200% to view image]

The Latin American Silver Coinage that Circulated in the United States

by Arno Safran

In recent years there have been segments of our population than have publicly castigated and condemned certain minorities in our country without taking into consideration the assistance that their ancestors provided during America's colonial period and later during the early decades of the Union which became known as the United States of America.

The Coinage Act of 1792 authorized ten denominations; two in copper, the half cent and large cent; five in silver, the half-dime, dime, quarter, half-dollar and dollar and three, in gold, the \$2.50 quarter eagle, \$5.00 half-eagle and \$10.00 eagle. During the first two and a half decades, The Philadelphia Mint obtained its copper planchets for making half-cents and cents from Great Britain. In its early years silver and gold was in short supply with American persons of wealth being asked to donate their silver holdings to make silver coins. In 1795, the population of the US was around 4,500,000 and the wealthy represented a small percentage of the population, so when .892 to .900 fine silver coins from Latin American mints started appearing in commerce here, they were accepted by merchants as valid.

(Continued on page 2, column 1)



A 1761 Pillar 2 *Reales* struck at the Lima, Mint in Peru and a
1786 Portrait 2 *Reales* of King Charles III
coined at the Mexico City Mint

[Enlarge page to fill monitor screen or 200% to better view the coinage]

The Latin American Coins that Circulated Here

(Continued from page 1, column 2)



A five piece set of "King Ferdinand the 6th" Two-worlds' Pillar type Latin American coinage from the 1750's

From left to right: 8 reales, 4R, 2R, 1R and 1/2 Real

[To increase the size of the coins for better viewing,
[Enlarge page accordingly on your monitor screen.]

Between 1793 and 1830, a number of our silver denominations were either suspended or not struck for circulation in certain years. The silver dollar was canceled after 1804 with the last Draped Bust dollar released that year but with the 1803 date. After 1805, the Draped Bust half *disme* featuring Chief Engraver Robert Scot's same design was suspended for 24 years.



An 1805 Draped Bust 5c

Of the ten US denominations, only the large cent and the silver half-dollars were coined in consecutive years--with the exception of 1815, when no cents were made, and in 1816, when no silver coins appeared with that date. After 1811, no half-cents were struck until 1825. The *disme* was not struck in 1808, 1810, and from 1812 thru 1819 while the **quarter** was omitted in 1808 thru 1814, with none dated 1816 or 1817. Nary, a one appeared with the 1829 or 1830 date. So, a collector wishing to complete a year set of American coins that circulated in the years when none of the aforementioned coins were struck, the only alternative was adding the missing dates from one of the six active Latin American Mints of that era, the most common being the Mexico City or Lima, Peru Mints because these coins were accepted and circulated in the United States.

Some of the Missing US dates found on Latino coinage



A 1798 2 Reales of King Charles IV struck at the Mexico City Mint

Between 1796 and 1804, no quarters were struck, but the 1798 2 *Reales*--which was similar in silver content and size to the quarter--could fit in a U.S. 1798 year set because merchants accepted them as valid specie during that era.



An 1815 Capped Bust Large side quarter-dollar graded AU-50

[To increase the size of the coins,
enlarge page accordingly on your monitor screen.]

After a hiatus of eight years, the Capped Bust silver design by Asst. Chief Engraver, John Reich was placed on the US quarter in 1815 and it was a beauty. The total reported mintage for the new quarter was 89,235 and because, many were saved as a first year type coin, collectors have been able to acquire a specimen from Fine to mint state depending on their income at the time of acquisition. For a short period, the lovely coin shown above appeared to be a one year type coin similar to the 1808 gold quarter eagle, also designed by John Reich because the next issue of the quarter did not occur until 1818 some three years later. So, if a collector wanted to add an 1816 or 1817 quarter to his or her collection, it would have to be one from the dominions of Spain with the portrait of King Ferdinand VII on it.



**An 1810 Reales Armored Bust of King Ferdinand VI
Struck at the Mexico City Mint**

[To increase the size of the coins,
enlarge page accordingly on your monitor screen.]

Shown above is a silver 2 *Reales* coin featuring King Ferdinand of Spain with an armored Bust on the obverse and the two worlds and Spanish Coat of Arms on the reverse. The coin was struck in .903 fine silver; the same standard approved by the Congress. As a result, when encountered in commerce, the coin was accepted by merchants along with the far smaller numbers of US quarters. As a date, the 1810 "Two Bits"--as it was later nicknamed--circulated freely here and is considered fairly common along with the 1816, another date omitted in the quarter series that could be used in trade similarly.



1819 1 Real Ferdinand VII, Zacatecas Royalist issue_KM-82.1

[To increase the size of the coins,
Enlarge page accordingly on your monitor screen.]

Since the *disme* (as it was spelt during this period) was also not struck in consecutive years during the first two decades of the 19th century, collectors desiring to include any or all of the missing dates in their year sets would probably have no trouble locating a specimen of the Latin American 1 *Real*. The *real* however, was worth 12½¢; 2½¢ more than our dime. Despite the difference, that was not a problem since there were plenty of half-cents and large cents in circulation for people to make change for the silver *real*.

((Continued on page 3, column 1))

The Latin American Coins that Circulated Here

(Continued from the previous page)



The Latin American Coinage of King Ferdinand VII of Spain that circulated in the United States

From L. to R: The 8 Reales, 4 R, 2 R, 1 Real, ½ Real & ¼ Real



An 1809 Ocho Reales showing Ferdinand VII with Armored Bust, (2nd year of issue) [Increase page to fill monitor screen!]

Of all the Latin America denominations that circulated in the United States, the Spanish eight *reales* or *Peso*--worth one silver dollar--probably surfaced the most because our silver dollar coin had been suspended, not to appear on a regular basis until 1840. This left the Cap Bust half dollar as our highest silver denomination, which was used by banks and heavy investors as specie to back their business ventures. The majestic Ferdinand VII 8 *Reales* shown above substituted for the silver dollar.

Until the 1830s, many of our denominations were often omitted during a particular year or more, so a collector interested in acquiring dates of specific denominations not offered by the Philadelphia Mint in a given year, could still obtain a missing date which actually circulated in the United States that had been struck at one of the six Latin American countries, Mexico, Guatemala, Columbia, Peru, Bolivia and Chile.



Louis Napoleon Bonaparte

During the first and second decade of the 19th century, the Napoleonic Wars were creating havoc in Europe including Spain, especially at the time when King Ferdinand was the King. He and his court had to remain in exile while Napoleon's brother, Louis Napoleon Bonaparte ruled there. After Napoleon Bonaparte was defeated, King Ferdinand came out of exile, and was once again in command of the mother country decided to take vengeance on the Spanish intelligencers who had supported

Louis Napoleon. Meanwhile in Mexico, starting in 1810 and later in Central and South America, uprisings began to occur against Spain. In some instances, the mints' outpouring of coinage were affected temporarily yet the design-type still depicted the King Ferdinand of Spain until 1822 in Mexico and 1824 or 1825 in those countries that won their independence afterwards. All the coins shown on this page were minted during King Ferdinand VII's reign, which could have circulated in the United States; although it is most likely that the half *real* valued at 6¼ cents *shown next to last on the group of denominations show on the left* didn't circulate in the U.S. as much, if at all; but the 1 *real*, 2 *reales* and especially the 8 *Reales* certainly did because the mintages of the US minor silver coinage and the quarter were so very low.



An 1821 *real*, KM-87, struck at the Potosi, Bolivia Mint
[To increase the size of the three coins in this column for better viewing, Enlarge page accordingly on your monitor screen.]

Unlike the US coinage that was based on the decimal system, the Spanish denominations followed an octagonal arrangement. Fortunately, the 8 *Reales*, 4 *Reales* and 2 *Reales* were equal in size and value to our three highest denominations. It was the three lowest Latin American denominations which did not match up because the *real* was slightly larger than the *disme* worth 12½¢; the half-*real*, slightly larger than our half-disme worth 6¼¢ and lastly, the tiny *Quartillo* worth just 3⅛ cents wit no equivalent in US money. One of the reasons our copper half-cent became necessary in US coinage was to provide change for the 12½¢ *real* or two 6¼¢ half-*reales*. The 1821 one *real* shown above was struck at the Potosi Mint in Bolivia in 1821. It had the purchasing power of \$2.91 back then.



An 1810 half-*real* worth 6¼¢ showing King Ferdinand VII of Spain

Two of these half-*real* coins would be worth the same as the silver *real* shown above. If a buyer used two such coins for an item that cost only 10¢, that person would likely receive two US large cents and one half-cent in change. Around 1810, a *real* had the purchasing power of \$2.52 while he smaller half *real*'s purchasing power was \$1.26.



The tiny 1800 quarter *real* of King Charles IV
Two of these and one of the half *reales* = one *real*.

The tiny ¼ *real* called a *Quartillo* was struck from 1796 thru 1816 under he auspices of Kings, Carlos IV and later Ferdinand the VII.

(Continued on page 3, column 1)

The Latin American Coins that Circulated Here

(Continued from the previous page)



Hispanic-American women often had holes punched into the upper center of these small coins sliding them on to a bracelet when they did their marketing; this despite the tiny coin being worth only **3&1/8 cents** but in those days, the purchasing power of a *Quartillo* was \$0.68 and one could buy items priced within that price range although there is no record of the *Quartillo* having circulated here in the still young United States.



**An 1817 2 Reales Laureate Bust of King Ferdinand VII, KM-111
Struck at the Mexico City Mint**

No large size Capped Bust quarters were dated 1817, so if you are a collector interested in assembling a 1817 US year set, the Latin American *dos reales* silver-piece shown above is a fairly decent example and far less expensive than any large size US Capped Bust quarter struck in a similar grade. The coin displays a little more wear than some of the other examples that appear in this article. During this period, twenty-five cents had the purchasing power of almost \$5.00.



**An 1819 4 reales, (50c size) Ferdinand VII KM-116 grading VF-20
Struck at the Lima, Peru Mint**

When it came to the half-dollar denomination, the situation was reversed because during this timeframe, the Philadelphia Mint was striking well over a million Lettered edge **Capped Bust halves** a year, while the Latin American Mints in Mexico, Guatemala and South America were striking far less **four reales** which were their equivalent and is far scarcer. This is why it is doubtful that any of the Latin American four *reales* pieces reached our shores or accumulated here if at all during that period in America history because they really weren't needed. Nevertheless, the Peruvian coin shown is a handsome looking example although in a much lower grade than some of the other Latin American denominations. In 1819, a coin valued at fifty-cents back then had the purchasing power of \$10.00.



**An 1817 8 Reales of Ferdinand VII with Laureate Bust
Graded around AU-50**

[Enlarge page to fill monitor screen to view details.]

Back in the early 19th century, images of the monarch of various nations were based on portraits by artists in the King or Queen's court but once the New World (western hemisphere) was being inhabited by Europeans beyond the aborigines who had been dwelling there for ages, the artists either depended on a portrait brought over by ship from the mother country or had to create an image based on verbal description from those who had either seen the monarch or a painting hanging in the court..

Since the dollar would not be resumed in the United States until 1836 when only 1,000 Gobrecht Liberty Seated dollars appeared and later revised in 1840 when the coin would again be struck on a regular basis; the Latin American *peso* (or eight *reales*) served as specie as the highest silver denomination.

In 1817, a Spanish dollar had the purchasing power of almost \$20.00.

When one compares the design types of the Latin American Coinage going back to the Pillar and portrait dollars that followed before the Latin American countries finally became emancipated from Spanish rule in 1825, only the Pillar dollar rivals the artistry of our first Chief engraver, Robert Scot's Draped Bust/Heraldic eagle since the portrait pieces, especially those of King Charles III of Spain leaves much to be desired, but there is one more dollar coin that was created which is of interest and that was the first 8 *Reales* design released in 1824 by the newly formed Central American Republic.



**An 1824 8 Reales of the Central American Republic graded AU-55
Struck at the New Guatemala City Mint**

Beginning in 1824, this silver dollar design type shows the rising sun behind the five mountains--each representing one of the five states of the Central American Republic. The coin was struck thru 1846. Without the Latin American Mints, our early coinage would have been in deep trouble.

**AUGUSTA COIN CLUB, INC.
MINUTES OF MEETING
November 19, 2020**

The meeting was called to order at 7:00 p.m. at the Sunrise Grill by 2nd Vice-President Howard Black. We had 35 members and 2 visitors.

Secretary's Report:

No meeting in March, April and May.

Treasurer's Report:

Treasurer's Report was sent by email by Stacey Plooster. We have \$10,945.73 deposited in the checking account.

Prize Winners

Bob Cunningham and Kathy Leaphart each won a 2020 Silver Eagle. The Winner of the 50/50 raffle was Glenn Sanders (\$47.00).

Our Fall Coin Show November 20th (Friday) and November 21st (Saturday), David Chism - Bourse Chairman.

The Spring Coin Show was cancelled at the Columbia County Exhibition Center located at the Grovetown, GA Wal-Mart at Exit 190.

The show has been sold out Bourse 75 tables. David Chism has an infection in his knee and will need help at the show, if he can at all. We will have a food truck (Chicken Fingers) set up in the front parking lot. We will have hand sanitizer at each dealer's table and practice social distancing per Columbia County. Steve passed out a sign-in sheet for help at the show.

Show & Tells:

No Show and Tells were presented!

Program:

No Program was presented!

Our 2020 Augusta Coin Club: Medallion



The Railroad Bridge over the Savannah River at 6th Street in downtown Augusta, struck in antique copper
One of the three alloys produced for 2020

The Railroad Bridge over the Savannah River at 6th Street was the winner of our 2020 Augusta club Medallion The medallion was struck in three different alloys, antique copper, antique bronze and silver-wash. The cost to members is \$12.00 each. Only 75 Medallions were struck.

Old Business:

2020 Club dues \$15.00 per year are past due.

New Business:

The Augusta Coin Club will poll their board meeting each month to review how our meetings will be held on a monthly basis.

Due to the Coronavirus, Perfect attendance allowed for 2020 has been suspended.

The Nominating Committee's 2021 ACC Candidates

Glenn Sanders will be taking nominations for the 2021 year for officers of the Augusta Coin Club. Please sign up. Our election will be held in December. Steve Nix has given notice that he will not run for President in 2021.

The following are running for office for the 2021 year:

For President ---Shelby Plooster
1st Vice-President ---Burles Johnson
2nd Vice-President ---Tommy Rhoden
Treasurer --- Stacy Plooster
Secretary --- John Attaway
Sgt. in Arms #1 --- Joe Bert
Sgt in Arms #2 --- Bryan Hoyt
Bourse Chairman --- David Chism
Board of Directors--- Arno Safran
Board of Directors--- Larry Lucree
Board of Directors--- Bill Orne

Area Shows-Local Coin Show

Augusta GA November 20-21, 2020

Atlanta Coin Show Sunday December 13, 2020

Hilton Hotel Coin Auction:

Monthly Club Auction:

Member, Burles Johnson ran the auction (13 lots). Shelby Plooster and Glenn Sanders delivered the goods as the auction was carried on thereby speeding up the proceedings. The Bids recorder was Tommy Rhoden.

*Respectively Submitted,
John Thomas Attaway*

The Series of 1917 \$2.00 "Legal Tender" Note



A Series of 1917 \$2.00 Legal Tender Note

[Enlarge the page to fit the monitor screen to view more clearly!]

When it comes to collecting our Large size United States Banknotes engraved between 1861 and 1923 that were in denominations from \$1.00 to \$10,000, most types are fairly costly to extremely expensive today with a few exceptions, one of the being the popular **\$2.00 Legal Tender note, Series of 1917**. This particular note design was first produced as the **Series of 1869** with Rainbow coloring. The \$2.00 Legal Tender is one of the longest continuous design types among our large paper money having continued with slightly different hues and shield sizes in the Series of 1874, '75, '78, 1880, and finally, 1917.

The note above depicts Thomas Jefferson in the upper left corner with the Capitol Building in the center and a small red shield at the lower right and is affordable in every grade including the certified MS-65 specimen shown above. The two signatories on the note were Harley V. Speelman who was Register of the Treasury (before he position was called, Secretary of the Treasury) and Frank White, Treasurer of the United States And since theirs were longer lasting than the other parings is one of the reasons this particular banknote is so common.. So, if you are novice collector wishing to acquire one of the Large US Bank notes for your collections, this particular example is worth considering.

Two dollar bills may not have circulated as much as the other paper money denominations but collectors love them because going back two centuries; many of the designs are quite attractive and historically interesting. When the editor was collecting large US banknotes before the end of the 20th century he was able to acquire a number of them in the mid circulated grades at reasonably affordable prices. This particular \$2.00 large size bank note was one of the first he was able to acquire, which had only one fold, otherwise, it appeared new and cost a mere fraction of what a similar example would cost today.

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